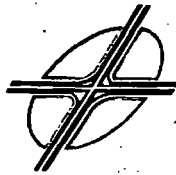


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ASH GROVE CEMENT WEST, INC.

Inter-Office Memorandum

May 31, 1991

Date

To Dick Cooke

From Ken Rone

Copies to Jim Post

Subject Progress Report for
Week Ending 5/31/91

Steve Sheridan

George Wells

Dan Peters

I met with a gentleman named Walter Seay who brokers tug and barge hauls. He indicated he had talked to Steve on a previous occasion. He has available barges and tugs, union or non, wet or dry, turn key unloading or not, can offer equity positions in hardware or would be willing to participate in same. Told him he should get back to Steve.

Proceeded all week with demolition of the old kiln foundations to make way for Clay Storage auger cast piling on Monday. Demo cost is revised up to \$12K (\$8,000 for demo, \$4,000 disposal). Presently BIC is not requiring us to pull out old pilings. I am refusing to bring in backfill dirt from off site as BIC has requested.

Lonestar's attorney called to indicate that the Don Imsland case has been settled for \$1500.

Our staff reached agreement on an I/E nominee. Ben is presently doing a background check, while I discuss with Steve what to do next. We screened resumes for a Human Resources Manager and arranged an interview with a promising candidate. A policy was written on our perception of an application processing procedure that meets the requirements of the EEOC. I field five calls per day from former applicants inquiring about their status or others who have just heard about the opportunity. Professional expertise in this area is badly needed to supplement my marginal competency.

I was contacted by the Seattle Post Intelligencer to do a story on the new expansion. With your approval I intend to handle this.

I would like to discuss the plant telephone system a bit further. City code requires phones in the elevators.

I discussed with Gary Eathorne and Gary Madson the Cyclonaire status based on our meeting with them last Friday. They are 90% complete on their "punch list" but have yet to satisfy the contractual conditions on noise. We will bring in WISHA to consult on some of the safety interpretations.

USEPA SF



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May 31, 1991
K. RONE

PROGRESS REPORT
SEATTLE PROJECT

PAGE 2

Regarding WISHA; recall that over a year ago they performed an inspection of our dock which we appealed based on lack of jurisdiction within an MSHA facility. Also that before it went to hearing they opted to intervene and review the strength of their position. We were contacted recently that they wish to go ahead. I will continue on our original course unless otherwise instructed.

Lab fixtures were delivered to the new Office Bldg. this week where the second floor dry wall is being finished off. The raw mill fan base was set and the rotor is being hung, while the kiln has been rotated 40°. The G-cooler and kiln floor foundations have yet to be poured. Raw mill and raw bin structures are being erected. Auger cast piling is resumed. Insulation crews started on the downcomer and continue on the burner tunnel. Foundations and/or footings were poured at the Pfister room, the baghouse and around the Loesche mill. Level A hand rails were installed while miscellaneous fit up goes on at the preheater vessels. The lighting plans were submitted and seem deficient around the stacker and the wharf.

We await the visit of Lloyd and Francis Widener next week. I will also compile a report on plant staffing philosophy, objectives and specific job descriptions for your review based on our recent meetings. I may be involved in West Terminal lease termination inventories and merger document retrieval. I plan to visit the Superior Quarry with Dan to discuss survey strategy.